

and type of good being imported into the United States to be misrepresented on customs entry forms.

To execute the scheme, shell companies were created and used as the importers of record for the purpose of shielding the identity of the defendant companies as the true purchasers of the goods from the Chinese manufacturers.

In total, the defendants agreed to pay the Government \$2,798,872.50 to settle the charges detailed in the Government's 239-page Complaint. In agreeing to the settlement, the defendants did not admit any wrongdoing or liability.

Mr. GARCIA praised the investigative work of U.S. Immigration and Customs Enforcement and U.S. Customs and Border Protection in this case.

The allegations of wrongdoing were first brought to the attention of the Government by a whistleblower, who filed a complaint under the *qui tam* provisions of the federal False Claims Act. Those provisions permit the Government to intervene in cases originally commenced by private parties who have knowledge of fraud committed against the Government.

Former Assistant United States Attorney SHEILA M. GOWAN and Assistant United States Attorney BENJAMIN H. TORRANCE handled the case.

08-113

###